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STATE AUDITOR'S OFFICEMONTANA STATE AUDITOR'S OFFICE  
INSURANCE DEPARTMENT  
HELENA, MONTANA

JAN 25 11 52 AM '05

HELENA, MONT.

IN THE MATTER OF:	*	CASE NO. 2004-44
	*	
THE PROPOSED DISCIPLINARY	*	
RANDELL A. GLOVER,	*	CONSENT AGREEMENT
	*	
Respondent.	*	
	*	

## I.

The Montana Insurance Commissioner (Commissioner), pursuant to the authority of the Insurance Code of Montana, § 33-1-101, et seq., MCA, determines that there is probable cause to believe that the following allegations, if true, justify and support disciplinary treatment.

ALLEGATIONS

1. At all times relevant hereto, Respondent Randell A. Glover was licensed by the State of Montana and held producer's license number 21705.
2. On or about November 17, 2003, Neil Brunett (Brunett), and investigator for the Commissioner, interviewed the Respondent regarding allegations received from State Farm Insurance Company. During this interview, the Respondent admitted he filed a fraudulent insurance claim with State Farm Insurance Company on behalf of John D. Sullivan (Sullivan) as hereinbelow described.
3. Sullivan advised Brunett in an interview conducted November 17, 2003 that he (Sullivan) told the Respondent about a laptop computer owned by him that had been dropped and broken. According to Sullivan, the Respondent filed an insurance claim with State Farm on his behalf for the broken laptop computer, and in doing so, stated the computer had been stolen, not dropped and broken as actually occurred.

4. Sullivan further stated State Farm paid him approximately \$1,100.00 for the fraudulent claim filed by the Respondent, and that he subsequently repaid insurance proceeds to State Farm following State Farm's own investigation into the matter.

#### CONCLUSIONS

Therefore, if such conduct is true, Respondent Randell A. Glover willfully violated §§ 33-1-1201 and 33-1-1202(1), MCA by, for the purpose of obtaining any money or benefit, presented or caused to be presented to State Farm Insurance Company written and/or oral statements containing false and/or misleading information concerning facts or things material to, as part of, or in support of a claim for payment or other benefit pursuant to an insurance policy. Furthermore, if such conduct is true, it is punishable as provided by § 33-1-101, MCA et seq., which includes, but is not limited to, a fine not to exceed \$5,000.00 per violation pursuant to § 33-1-317, MCA and by revocation of the insurance producer's license pursuant to § 33-17-1001, MCA.

#### AGREEMENT

Randell A. Glover stipulates and consents to the following:

A. To remain a law abiding citizen and to comply with all provisions of the Montana Insurance Code through his successful completion of all terms and conditions herein;

B. To waive the right to a hearing on the above-mentioned allegations and, that by entering into this Consent Agreement, neither admits nor denies the substance of the allegations of the Commissioner;

C. To waive his right to any and all statutes of limitation; that he has read the foregoing Consent Agreement; that he knows and fully understands its contents and effect; that he acknowledges that he has been advised of his right to be represented by legal counsel and if

represented by legal counsel, that his legal representation was satisfactory; that he is fully aware of his right to a hearing in this matter, his right to present evidence and arguments to the Commissioner and his right to appeal from an adverse determination after hearing; that he further acknowledges that, in signing this Consent Agreement, he is not under the influence of alcohol or drugs (prescription or otherwise), that he does not suffer from any emotional disturbance or mental disease or defect that would render him not competent to sign this Consent Agreement; that no threats, promises, coercion, force or duress have been used or brought against him in order to compel him to sign this Consent Agreement. **The Respondent understands that, by signing this Consent Agreement, he waives those rights mentioned above in their entirety.**

E. To attend and complete 10 credit hours worth of Continuing Education classes that deal specifically with business ethics by the end of his 2006 biennial continuing education reporting period.

F. To pay a \$5,000.00 fine to the Montana State Auditor's Office, all of which will be suspended upon successful completion of all terms and conditions of this Consent Agreement.

G. The Respondent further understands and agrees that, in signing this Consent Agreement, the Department retains its right to pursue any legal remedy in this matter, civil or criminal. Pursuant to the stipulation and consent of Randell A. Glover, the Commissioner, under authority of the Insurance Code of Montana and § 2-4-603, MCA, hereby agrees that if the terms and conditions of this Consent Agreement are fully met, he will not initiate any further civil, administrative or criminal actions against Randell A. Glover regarding the allegations contained herein. In consideration for the Commissioner not initiating any further civil or administrative or criminal actions, Randell A. Glover fully and forever releases and discharges the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims,

causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the above entitled administrative action.

H. The Respondent states that he understands that this Consent Agreement is part of the Commissioner's file, which is a public record. As a public record it may not be sealed. Also, he understands that the Commissioner develops press releases based on Consent Agreements on a routine basis and sends them to the news organizations in the state of Montana; and

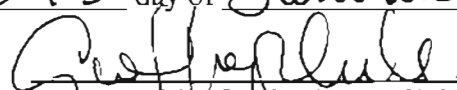
I. It is further understood that this Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied, unless contained herein.

DATED this 24 day of January, 2005.

RESPONDENT

  
Randall A. Glover

Subscribed and sworn to before me this 24th day of January, 2005.

  
Notary Public for the State of Montana

Written name Geoffrey R. Keller

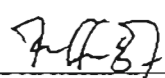
Residing at Billings MT

My commission expires 10-2-2005

(SEAL)

JOHN MORRISON  
State Auditor and  
Commissioner of Insurance

By:

  
John K. Kurtz  
Legal Counsel

# NOTICE OF REGULATORY ACTIVITY (RIRS)

For submission of regulatory actions reported to the NAIC.

## ENTITY INFORMATION

Entity name, address and a numeric identifier (CoCode, AA/FEIN, SSN, Entity Number or National Producer Number) are required.

Entity Name: **GLOVER, RANDELL, A.** State ID: **3079187**

(for Individual Name key in Last Name, First Name, Middle Name and Suffix if available)

NAIC Entity No: \_\_\_\_\_ NAIC CoCode: \_\_\_\_\_ AA/FEIN: **-**

Entity Type Code: **F** ☐ **R** ☐ **I** ☐ **N** ☒ **D** ☐ Entity Function Code: **PRO - Pro** **D** ☐ **O** ☐ **S** ☐ **S** ☐ **5/5/1960** **S** ☐ **516 - 88 - 0147** **N** ☐

Addr: **3660 MAMMOTH CAVE DR** Line 2 Addr: \_\_\_\_\_ Line 3 Addr: \_\_\_\_\_

City: **BILLINGS** State: **MT** Zip: **59102 -** Phone: **( 406 ) 248 - 1104**

## ACTION INFORMATION

### ORIGIN OF ACTION

Check at least one item in the section below - maximum 4

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> (1005) Complaint Investigation             | <input checked="" type="checkbox"/> (1020) Insurer Report | <input type="checkbox"/> (1045) Combined Exam               |
| <input type="checkbox"/> (1007) Field Investigation                            | <input type="checkbox"/> (1023) Statistical Filing        | <input type="checkbox"/> (1050) Bankruptcy Notices          |
| <input type="checkbox"/> (1008) Public Inquiry                                 | <input type="checkbox"/> (1025) Legal                     | <input type="checkbox"/> (1055) Third Party Information     |
| <input type="checkbox"/> (1010) Routine Dept. Action                           | <input type="checkbox"/> (1030) Market Conduct Exam       | <input type="checkbox"/> (1060) Licensing Administration    |
| <input type="checkbox"/> (1015) Other States Action                            | <input type="checkbox"/> (1035) Financial Exam            | <input type="checkbox"/> (1063) Background Check            |
| <input type="checkbox"/> (1018) Information/Referral from Another state Agency | <input type="checkbox"/> (1040) Workers Comp Exam         | <input type="checkbox"/> (1065) Other (enter up to 50 char) |

\* if checked you must enter description.

### REASON FOR ACTION

Check at least one item in the section below - maximum 20

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> (2005) Underwriting                                      | <input type="checkbox"/> (2040) Failure to Timely File                             | <input type="checkbox"/> (2075) Failure to report other state action |
| <input type="checkbox"/> (2010) Marketing & Sales                                 | <input type="checkbox"/> (2042) Failure to Pay Child Support                       | <input type="checkbox"/> (2080) Dissolution                          |
| <input type="checkbox"/> (2012) Life Insurance Replacement Violation              | <input type="checkbox"/> (2045) Rebating   | <input type="checkbox"/> (2085) Failure to pay tax                   |
| <input type="checkbox"/> (2014) Misrepresentation of Insurance Product/Policy     | <input type="checkbox"/> (2050) Rate Violation                                     | <input type="checkbox"/> (2090) Failure to pay fine                  |
| <input checked="" type="checkbox"/> (2015) Claim Handling                         | <input type="checkbox"/> (2053) Use of Unapproved Forms                            | <input type="checkbox"/> (2095) Failure to pay assessment            |
| <input type="checkbox"/> (2020) Policyholder Service                              | <input type="checkbox"/> (2055) No License   | <input type="checkbox"/> (2097) Bail Bond Forfeiture Judgement       |
| <input type="checkbox"/> (2025) Advertising                                       | <input type="checkbox"/> (2056) Demonstrated Lack of Fitness or Trustworthiness    | <input type="checkbox"/> (2100) No Certificate of Authority          |
| <input type="checkbox"/> (2026) Premium Finance Act Violation                     | <input type="checkbox"/> (2058) Misstatement on Application                        | <input type="checkbox"/> (2101) Certification Violation              |
| <input type="checkbox"/> (2027) Surplus Lines Violation                           | <input type="checkbox"/> (2059) Failure to Make Required Disclosure on application | <input type="checkbox"/> (2102) Unauthorized Insurance Business      |
| <input type="checkbox"/> (2028) TPA Violation                                     | <input type="checkbox"/> (2060) Not Appointed                                      | <input type="checkbox"/> (2103) Fiduciary Violation                  |
| <input type="checkbox"/> (2029) Unfair Insurance Practices Act Violation          | <input type="checkbox"/> (2061) Selling for Unlicensed Insurer                     | <input type="checkbox"/> (2104) Failure to Remit Premiums to insurer |
| <input type="checkbox"/> (2030) Failure to meet Continuing Education Requirements | <input type="checkbox"/> (2062) Allowed Business from Agent Not Appointed/Licensed | <input type="checkbox"/> (2105) Misappropriation of Premium          |
| <input type="checkbox"/> (2032) Continuing Education Requirements Met             | <input type="checkbox"/> (2063) Employed Unlicensed Individuals                    | <input type="checkbox"/> (2106) Forgery                              |
| <input type="checkbox"/> (2035) Failure to Respond                                | <input type="checkbox"/> (2064) Paid Commissions to Unappointed Agents             | <input type="checkbox"/> (2107) Criminal Record/History              |
| <input type="checkbox"/> (2036) Late or Incomplete Response                       | <input type="checkbox"/> (2065) Notice of Financial Impairment from another state  | <input type="checkbox"/> (2108) Criminal Proceedings                 |
| <input type="checkbox"/> (2037) Failure to Notify Department of Address Change    | <input type="checkbox"/> (2070) Financial Impairment                               | <input type="checkbox"/> (2110) Reconsideration                      |
| <input type="checkbox"/> (2038) Failure to Comply with Previous Order             | <input type="checkbox"/> (2072) Cure of Financial Impairment                       | <input type="checkbox"/> (2115) Other (enter up to 50 char)          |

**FRAUDULANT CLAIM**

☒ **FILING, VIOLATION OF 33-1-1201**

☐ (2039) Failure to Maintain Books & Records

☐ (2074) Other States Action

\* If checked you must enter description.

## Continue form on reverse side

### DISPOSITION

Check at least one item in the section below - maximum 4

- ☐ (3001) License, Denied  
☐ (3003) License, Suspended  
☐ (3004) License, Cancelled  
☐ (3006) License, Revoked  
☐ (3009) License, Probation  
☐ (3010) License, Conditional  
☐ (3011) License, Supervision  
☐ (3012) License, Reinstatement  
☐ (3013) License, Granted  
☐ (3014) License, Surrendered  
☐ (3015) License, Voluntarily Surrendered  
☐ (3016) License, Other (50 Char)  
  
☐ (3021) Certificate of Authority, Denied  
☐ (3023) Certificate of Authority, Suspended  
☐ (3025) Certificate of Authority, Suspension Extended  
  
☐ (3026) Certificate of Authority, Revoked

- ☐ (3028) Certificate of Authority, Expired  
☐ (3029) Certificate of Authority, Probation  
☐ (3031) Certificate of Authority, Reinstated  
☐ (3034) Certificate of Authority, Surrendered  
☐ (3036) Certificate of Authority, Other (enter up to 50 char)  
  
☐ (3042) Cease and Desist from Violations  
☐ (3043) Cease and Desist from all Insurance Activity  
☒ (3045) Consent Order  
☐ (3046) Stipulated Agreement/Order  
☐ (3047) Previous Order Vacated  
☒ (3048) Ordered to provide requested information  
  
☐ (3050) Temporary Restraining Order  
☐ (3055) Reprimand  
☒ (3060) Hearing Walver

- ☐ (3065) Show Cause  
☐ (3070) Re-exam  
☐ (3075) Rescission of  
☐ (3076) Involuntary Forfeiture  
☐ (3078) Restitution  
☐ (3079) Suspended from writing new business; renewals ok  
☐ (3080) Supervision  
☐ (3085) Rehabilitation  
☐ (3090) Liquidation  
☐ (3095) Conservatorship  
☐ (3100) Receivership  
☐ (3101) Ancillary Receivership  
☒ (3102) Monetary Penalty  
☐ (3103) Aggregate Monetary Penalty  
☐ (3104) Settlement  
☐ (3105) Other (you must enter up to 50 char)  
☒ IF 10 CR. ETHICS COMPLETED, THEN \$5,000 SUSPENDED

### Complete as needed

Time or Length of Order: DAYS (if DAYS, enter number of days) 2006 Penalty/Fine/Forfeiture \$ 5000 Enter amount in whole dollars only. Do not use punctuation.  
\* Length of time required for Suspensions, Probations and Supervisions.

### Required, please complete

Action Date: 1/24/2005 Effective Date: 1/24/2005 File Reference # 2004-44

## CONTACT INFORMATION

Required, Please complete.

Action State MT Contact Name: Last Kurtz First: John MI: K  
Phone: (406) 444-2040 e-mail address: jkurtz@state.mt.gov

Mail completed form to: NAIC, RIRS, 2304 McGee Suite 800 Kansas City, Mo 64108

Or

Fax completed form to: NAIC, RIRS, 816.460.7510 or e-mail to: mktdata@naic.org (Re: RIRS)

### ENTITY FUNCTION CODES

Code	Description	Code	Description	Code	Description
ADJ	Adjuster/Appraiser	KEE	Key Employee	RRF	Risk Retention Group
AIR	Alien Insurer/Reinsurer	MET	MET/MEWA	SCY	Security
CAI	Captive Insurer	MGA	Managing General Agent	SEC	Secretary
CEO	Chief Executive Officer	OFF	Officer	SEI	Self Insured
COO	Chief Operating Officer	OTH	Other	STF	State Funded
DIT	Director/Trustee	PFC	Premium Finance Co.	TPA	Third Party Administrator
EMP	Employee	PRE	President	UDI	U.S. Domiciled Insurer